

letter which appeared shortly after the last general election, which tells what the truth is in 1908—a truth very different from the predictions made in 1903. I cannot but wonder whether that letter came forth spontaneously on the date on which it was written, I cannot but wonder whether the government had any previous inkling as to the demand that was about to be made upon them—and I cannot but wonder whether there was any agreement between the government and the writer of that letter prior to the last general election which might account for the excessive activity of the Grand Trunk, activity directed all in favour of one of two great political parties in this country. That is something that we would like to know about before this discussion is over—just when it was that the Finance Minister and his colleagues first had word to the effect that additional assistance would be necessary to this company, that the company would ask something far and beyond what was ever expected under the original contract. Well, we remember the original contract. We remember the estimated cost of the prairie section was from \$18,000 to \$20,000 per mile. But what does the letter of Mr. Hays disclose? It admits that, according to the claim of the company, that road has cost \$35,000 per mile. Thirty-five thousand per mile for a road built over the prairie portions of Manitoba, Saskatchewan and Alberta. Instead of having, as was expected, a capital expenditure under \$20,000,000, we have a capital expenditure of over \$32,000,000; and that represents merely the cost of the road and does not include anything for equipment of rolling stock—a road that is not prepared to carry traffic.

Now, our first inquiry should be as to what has actually gone into that road. Here is what we are told has gone into it: The proceeds of the three per cent government guarantee bonds, \$11,908,000, representing cash to the extent of \$13,000 per mile, has first gone into that construction. We have been told that a second issue of bonds took place on the undertaking of the Grand Trunk Pacific, with the guarantee of the Grand Trunk Railway, and that this second issue of bonds resulted in putting \$9,602,000 into that prairie section. We have heard that the Grand Trunk themselves claim to have advanced \$7,094,000. And, last of all, we are informed that it will require \$3,594,000 in addition to complete the construction of the prairie section. So that, all told, \$32,197,351 has gone into, or will go into, that road, including interest up to January 1, 1910, if the estimate of the company is to be accepted as reliable. That, you will see, is \$35,000 per mile—\$35,000 per mile for the road without one locomotive, one car, or any attempt at rolling stock

equipment. Other prairie roads, the history of which is easily obtainable, have been built for \$15,000 to \$20,000 a mile—so that this road has cost, or will cost, double the price of these others.

Now, this road has not been under any special disadvantage. It is impossible to claim for it the consideration that might have been claimed for the first transcontinental railroad. The country to-day is a very different country from what it was in 1881. This railroad, in its prairie section, does not pass through a wild and uninhabited wilderness. All the way from Winnipeg to Edmonton it goes over fertile and inhabited country. There is not a single point on the line between these divisional places where the construction work has not been readily accessible. To bring in materials, to bring in supplies, has been a very simple matter for this company in constructing the prairie section. Supplies in the way of food for the men working on the road, of oats and hay for the horses, and all that is required can, to a very considerable extent, be obtained to-day along the line as it is being built. And, when you think also of the great increase in population, the large amount of labour that is made available, you cannot but conclude, if you compare the conditions under which this prairie road has been built—with the conditions under which the pioneer prairie roads were built—that this road had every advantage which would make towards economy, while the early roads had every disadvantage which would make toward high expense. And yet the early roads have been built for a far smaller figure than the amount, which, it is claimed, has gone into the prairie section of the Grand Trunk Pacific Railroad.

But it is claimed that this is a superior road. Mr. Hays, in his letter, gives by way of excuse that the government has forced him to build a superior road. Well, that was in the original contract; it was perfectly well understood in advance. It was thoroughly understood, when the estimates were given of this road, that a superior road was demanded, was expected, was intended. But I do not think we have as yet had submitted to this House any proof of the fact that this is a superior road. Have we been shown as to grades, for example, how much of that road is comparatively level? Have we been shown what is the ruling grade or the maximum grade? And, as to the curves of the road, have we been shown how much of the road is straight, what are the degrees of curvature and what are the sharpest curves? All these factors of railroad building can be reduced to mathematical statements, and can be submitted; and it should be possible for the government, in making this claim, to be able to demonstrate, by facts, figures and profiles, that this road is really super-

Mr. AMES.